GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:5424
ANSWERED ON:06.04.2017
Flights under UDAN Scheme
Kesineni Shri Srinivas

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether airline companies have launched new flights between small airports under the UDAN scheme;
(b) if so, the number of such flights are currently operational;

(c) whether any study has been done by the Government to ascertain the profitability of such flights;

(d) if so, the details thereof; and

(e) whether the Government proposes to incentivize airline companies to launch new flights under the scheme and if so, the details thereof?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) to (b): Government has awarded Regional Connectivity Scheme (RCS) - UDAN routes on 30.03.2017 in the first round of bidding to the selected airline operators connecting unserved / under-served airports under the Scheme. However, operations under RCS-UDAN are yet to be commenced.;

(c) to (e): The Scheme is demand driven and is based on assessment by interested airline operators of demand and nature of the supply required on particular routes. However, promoting affordability of the regional air connectivity is envisioned under RCS by supporting selected airline operators through

(i) concessions by Central Government, State Governments/ Union Territories and airport operators for reducing the cost of airline operations on regional routes/ other support measures and

(ii) financial (Viability Gap Funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenue on such RCS routes.